Centre for science and environment's report on mining policy

†4078. SHRI SHREEGOPAL WAS: Will the Minister of MINES be pleased to state:

(a) whether the Centre for Science and Environment (CSE) has demanded for a new mining policy, keeping in view the environment and rivers;

(b) if so, the names of the rivers mentioned therein;

(c) whether it is being investigated into;

(d) whether it would further increase the water crisis; and

(e) if so, the details thereof?

THE MINISTER OF MINES (SHRI SIS RAM OLA): (a) and (b) Centre for Science and Environment (CSE) had raised concerns on mining environment and development issues in mineral policy of the country. The CSE felt that mining may impact the following key watersheds: the Damodar, Mahanadi, Brahmani and Godavari.

(c) to (e) The new National Mineral Policy, 2008, enunciated by the Government, seeks to develop a framework of sustainable development which taken care of bio-diversity issues and to ensure that mining activity takes place alongwith suitable measures for restoration of the ecological balance and improving the life of people living in the mining areas. Such measures would ameliorate effect of mining on water bodies.

FDI in mining sector

4079. SHRI RAMDAS AGARWAL: Will the Minister of MINES be pleased to state:

(a) whether Government has formulated any policy for allowing 100 per cent Foreign Direct Investment (FDI) in the mining sector;

(b) if so, the details thereof;

(c) the details of various pmposals signed and the actual investment made in the mining sector during each of the last three years as on date, State-wise;

(d) whether Government has fixed any targets for the mining sector during the said period, State-wise; and

(e) if so, the details and achievements made, so far, during the said period, State-wise?

THE MINISTER OF MINES (SHRI SIS RAM OLA): (a) and (b) As per the extant policy, Foreign Direct Investment (FDI) up to 100% is allowed under the automatic route in Mining sector covering exploration and mining of diamonds & precious stones; gold, silver and minerals. This is subject to Mines & Minerals (Development & Regulation) Act, 1957. The FDI policy, permitted FDI up to 74% in Atomic minerals in the policy on mining of beach sand minerals notified vide Government of India Resolution dated 6.10.1998. In the recent review of the FDI policy, Government has approved FDI up to 100% with prior approval of the Government in Titanium bearing minerals & ores and its value addition subject to the sectoral regulations and the Mines and Minerals (Development and Regulation) Act, 1957. FDI for separation of titanium bearing minerals & ores will be subject to the following additional conditions:

(i) value addition facilities are set up within India alongwith transfer of technology;

† Original notice of the question was received in Hindi.

(ii) disposal of tailings during the mineral separation shall be carried out in accordance with regulations framed by the Atomic Energy Regulatory Board.

No FDI is permitted in mining of atomic minerals.

(c) A State-wise Statement on FDI approvals given and inflows received in the mining sector from April 2004 to December 2007 is given below.

Statement

Year-wise RBI's regional offices (with State covered) received FDI inflows

(Amount in US$ Million)

Sl. No.	Regional Offices of RBI	States Covered	2004-05 (Apr-Mar)	2005-06 (Apr-Mar)	2006-07 (Apr-Mar)	2007-08 (Apr-Dec)	Cumulative Total
1.	Hyderabad	Andhra Pradesh	0.08	0.00	0.04	0.00	0.12
2.	Guwahati	Assam, Arunchal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Tripura	2.91	0.00	0.00	0.00	2.91
3.	Kochi	Kerala, Lakshadweep	2.17	0.00	0.00	0.00	2.17
4.	Mumbai	Maharashtra, Oadra & Nagar Haveli, Daman & Diu	1.26	2.22	0.40	7.74	11.62
5.	Chennai	Tamil Nadu, Pondicherry	0.27	0.00 "	0.00	0.00	0.27
6.	Kolkata	West Bengal, Sikkim, Andaman & Nicobar Islands	0.18	0.00	0.02	378.62	379.83
7.	New Delhi	Delhi, Part of UP and Haryana	2.00	2.20	6.16	4.24	14.60
8.	Region not indicated		0.04	1.73	0.00	25.33	27.10
		GRAND TOTAL:	9.92	6.15	6.62	415.93	438.62

FOOT NOTE. 1. Includes 'equity capital component' only.

2. The above State-wise inflows are classified as per RBI's Region-wise inflows furnished by RBI, Mumbai.

(d) and (e) Under the liberalised economic environment, investment decisions, including choice of location, are taken by the entrepreneurs based on their techno-economic judgements and commercial considerations. No target is fixed for FDI including in the mining sector.